

Exhibit 11

LG Electronics Inc. and Subsidiaries **Notes to Consolidated Financial Statements** **December 31, 2007 and 2006**

1. The Consolidated Companies and Equity Method Investees

The accompanying consolidated financial statements include the accounts of LG Electronics Inc. (LGE or Controlling Company) and its subsidiaries (collectively referred to as the "Company"). General information on the controlling company, its consolidated subsidiaries and its equity method investees is described below:

The Controlling Company

LG Electronics Inc. (the "Company") was spun off from LG Electronics Investment Ltd. (formerly LG Electronics Inc.) on April 1, 2002, to engage in the manufacture and sale of electronic, and information and communication products. Former LG Electronics Inc. was incorporated in October 1958 under the Commercial Code of the Republic of Korea to manufacture and sell electronics, and information and communication products, and had its shares listed on the Korea Stock Exchange in April 1970. As of December 31, 2007, the Company operates manufacturing facilities mainly in Kuro, Pyeongtaek, Chongju, Gumi and Changwon in the Republic of Korea.

As of December 31, 2007, the Company has outstanding capital stock amounting to ₩809,169 million, including non-voting preferred stock. The Company's stock was relisted on the Korean Stock Exchange on April 22, 2002, and its depositary receipts ("DRs") were relisted on the London Stock Exchange in September 2002.

As of December 31, 2007, LG Corp. and its related parties own 31.1% of the Company's total stocks including common stock and preferred stock, while financial institutions, foreign investors and others own the rest of the Company's common stocks.

Consolidated Subsidiaries and Equity Method Investees

Consolidated subsidiaries and equity method investees as of December 31, 2007, are as follows:

(in millions of Korean won)

	Shareholders' equity	Total issued and outstanding shares	Shares owned by			Percentage of ownership (%)
			LGE	Subsidiaries	Total	
Domestic subsidiaries						
LG Micron Ltd.	335,692	7,500,000	2,699,702	-	2,699,702	36.00
LG Innotek Co., Ltd.	255,869	8,620,800	6,017,400	-	6,017,400	69.80
LG.Philips LCD Co., Ltd.	8,289,373	357,815,700	135,625,000	-	135,625,000	37.90
Hi Plaza Inc.	118,344	7,440,000	7,440,000	-	7,440,000	100.00
Hi Business Logistics	21,910	720,000	720,000	-	720,000	100.00
LG fund for small and medium enterprises	17,036	1	1	1	1	50.00
Innovation Investment Fund (formerly Blue Ocean Investment Association)	11,829	1	1	1	1	83.33
Domestic equity method investees						
Hankuk Electric Glass Co., Ltd.	430,050	8,073,375	1,614,675	-	1,614,675	20.00
LG-Nortel Co., Ltd.	481,032	2,000,000	999,999	-	999,999	50.00
Korea Information						
Certificate Authority Inc.	20,388	4,280,000	400,000	-	400,000	9.27
Paju Electric Glass Co., Ltd.	55,142	3,600,000	-	1,440,000	1,440,000	40.00
System Air-con Engineering Ltd.	1,854	340,000	340,000	-	340,000	100.00

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(in millions of Korean won)	Shareholders' equity	Total issued and outstanding shares	Shares owned by			Percentage of ownership (%)
			LGE	Subsidiaries	Total	
Overseas subsidiaries						
LG Electronics Austria GmbH (LGEAG)	10,005	1	1	1	1	100.00
LG Electronics Alabama, Inc. (LGEAI)	66,923	266	-	266	266	100.00
LG Electronics Almaty Kazak Co., Ltd. (LGEAK)	20,562	1	1	1	1	100.00
LG Electronics Australia Pty. Ltd. (LGEAP)	35,871	2,685,000	2,685,000	-	2,685,000	100.00
LG Electronics Klima Sanayi ve Ticaret P.S. (LGEAT)	73,910	288,000	144,000	-	144,000	50.00
LG Electronics Da Amazonia Ltda. (LGEAZ)	184,213	1	1	1	1	100.00
LG Electronics Colombia Ltda. (LGECEB)	50,708	1	1	1	1	100.00
LG Electronics China Co., Ltd. (LGECH)	21,786	1	1	1	1	100.00
LG Electronics Canada, Inc. (LGECL)	35,231	42,900	42,900	-	42,900	100.00
LG Electronics Inc. Chile Limitada (LGECL)	30,034	1	1	1	1	100.00
LG Electronics Czech S.R.O. (LGECH)	14,754	1	1	1	1	100.00
LG Electronics Deutschland GmbH (LGEDG)	38,693	1	1	1	1	100.00
LG Electronics Egypt S.A.E. (LGEEG)	5,391	144,000	136,800	-	136,800	95.00
LG Electronics Espana S.A. (LGEES)	34,533	472,967	-	472,967	472,967	100.00
LG Goldstar France S.A.R.L. (LGEFS)	22,997	69,848	-	69,848	69,848	100.00
LG Electronics Gulf FZE (LGEGF)	17,245	40	40	-	40	100.00
LG Electronics HK Limited (LGEHK)	(1,052)	6,752,817	6,752,817	-	6,752,817	100.00
LG Electronics Nature (Hangzhou) Recording Media Co., Ltd.(LGEHN)	11,240	1	1	1	1	70.00
LG Electronics Hellas S. A. (LGEHS)	8,167	1,600,000	-	1,600,000	1,600,000	100.00
LG Electronics Huizhou Inc. (LGEHZ)	49,743	1	1	1	1	80.00
LG Electronics India PVT Ltd. (LGEIL)	252,173	113,128,726	113,128,726	-	113,128,726	100.00
PT LG Electronics Indonesia Ltd. (LGEIN)	89,156	51,920	51,920	-	51,920	100.00
LG Electronics Italy S.P.A. (LGEIS)	17,168	18,785,000	-	18,785,000	18,785,000	100.00
LG Electronics Japan Inc. (LGEJP)	4,571	1,380,000	1,380,000	-	1,380,000	100.00
Kunshan LGMS Computer Co., Ltd. (LGEKS)	10,100	1	1	1	1	100.00
LG Electronics Latvia, LLC (LGELV)	3,756	1	1	1	1	100.00
LG Electronics Mlawa SP.Zo.O. (LGEMA)	135,171	412,616	412,616	-	412,616	100.00
LG Electronics Morocco S.A.R.L. (LGEMC)	10,113	315,213	315,213	-	315,213	100.00
GoldStar MobileComm.France S.A.S.U.(LGEMF)	7,857	400,000	400,000	-	400,000	100.00
LG Electronics Magyar Kft (LGEMK)	17,066	1	1	1	1	100.00
LG Electronics (M) SDN.BHD (LGEML)	4,058	28,515,181	28,515,181	-	28,515,181	100.00
LG Electronics Monterrey Mexico S.A. DE C.V. (LGEMM)	45,460	70,162	6	70,156	70,162	100.00
LG Electronics Mobile Research U.S.A.,LLC (LGEMR)	3,959	1	1	1	1	100.00
LG Electronics Mexico S.A. DE C.V. (LGEMS)	112,146	714,328	714,028	300	714,328	100.00

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	Shareholders' equity	Total issued and outstanding shares	Shares owned by			Percentage of ownership (%)
			LGE	Subsidiaries	Total	
LG Electronics Mexicali S.A.D.E C.V.(LGEMX)	14,862	899,625	-	899,625	899,625	100.00
LG Electronics (Nanjing) Plasma Co., Ltd. (LGENP)	21,188	1	1	1	1	100.00
Nanjing LG-Tontru Color Display System Co., Ltd. (LGEND)	44,456	1	1	1	1	70.00
LG Electronics Philippines, Inc. (LGEPI) (formerly LGEPM)	4,131	739,036	739,036	-	739,036	100.00
LG Electronics Polska SP. Z o. O. (LGEPL)	30,913	28,366	-	28,366	28,366	100.00
Nanjing LG Panda Appliances Co., Ltd. (LGEPN)	35,706	1	1	1	1	70.00
Overseas subsidiaries						
LG Electronics Peru S.A. (LGEPR)	17,708	59,626,822	59,626,822	-	59,626,822	100.00
LG Electronics Panama S.A. (LGEPS)	44,223	193,747	193,747	-	193,747	100.00
LG Electronics Portugal (LGEPT)	8,088	1	1	1	1	100.00
Qingdao LG Inspur Digital Communication Co., Ltd.(LGEQD)	20,079	1	1	1	1	70.00
LG Electronics Qinhuangdao Co., Ltd. (LGEQH)	10,070	1	1	1	1	100.00
LG Electronics RUS, LLC(LGERA)	46,182	1	1	1	1	100.00
LG Electronics Russia Inc. (LGERI)	10,518	2,410	2,290	-	2,290	95.00
LG Electronics Romania S.R.L (LGERO)	12,552	2,052,000	-	2,052,000	2,052,000	100.00
LG Electronics Reynosa, S.A. DEC.V. (LGERs)	37,774	72,000	-	72,000	72,000	100.00
LG Electronics S.A. Pty Ltd. (LGESA)	30,719	293,344,000	293,344,000	-	293,344,000	100.00
LG Electronics European Holdings B.V. (LGEH)	44,639	6,544	6,544	-	6,544	100.00
LG Electronics European Logistics & Services B.V.(LGELS)	9,358	1	1	1	1	100.00
LG Electronics European Shared Service Center B.V. (LGESC)	1,885	150,000	-	150,000	150,000	100.00
LG Electronics Benelux(LGEBN)	9,982	18,000	-	18,000	18,000	100.00
LG Electronics JIT Europe B.V.(LGEJE)	575	180	-	180	180	100.00
Shanghai LG Electronics Co., Ltd. (LGESH)	18,950	1	1	1	1	70.00
LG Electronics Singapore Pte Ltd. (LGESL)	5,851	11,083,999	11,083,999	-	11,083,999	100.00
LG Electronics de Sao Paulo Ltda. (LGESP)	191,363	1	1	1	1	100.00
LG Electronics Sweden AB (LGESW)	8,220	76,157	-	76,157	76,157	100.00
LG Electronics Shenyang Inc. (LGESY)	63,601	1	1	1	1	78.87
LG Electronics Tianjin Appliance Co., Ltd. (LGETA)	166,839	1	1	1	1	80.00
LG Electronics Thailand Co., Ltd. (LGETH)	43,064	6,138,995	6,138,995	-	6,138,995	100.00

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			LGE	Subsidiaries	Total	
Taizhou LG-Chunlan Home Appliances Co., Ltd. (LGETR) (formerly LGECT)	74,728	1	1	1	1	100.00
LG Taistar Electronics Taiwan Co., Ltd. (LGETT)	11,683	52,892,542	52,892,542	-	52,892,542	99.94
LG Electronics United Kingdom Ltd. (LGEUK)	15,431	192,000	-	192,000	192,000	100.00
LG Electronics U.S.A., Inc. (LGEUS)	111,702	32,884	32,884	-	32,884	100.00
LG Electronics Vietnam Co., Ltd. (LGEVN)	8,469	1	1	1	1	100.00
LG Electronics Wrocław Sp. z o.o. (LGEWR)	64,334	181,018	181,018	-	181,018	100.00
Langchao LG Digital Mobile Communication Co., Ltd. (LGEYT)	34,557	1	1	1	1	70.00
LG Electronics MobileComm U.S.A. Inc. (LGEMU) (Subsidiary of LGEUS)	36,288	10,000	-	10,000	10,000	100.00
LG Software PVT, Ltd. (LGSF)	14,599	9,946,000	9,946,000	-	9,946,000	100.00
Zenith Electronics Corporation (Zenith)	453,571	2,000	-	2,000	2,000	100.00
EIC Properties PTE, Ltd.	21,812	34,170,000	13,052,940	-	13,052,940	38.20
LGE (China) R&D Center	6,533	1	1	1	1	100.00
LG Holdings (HK) Ltd	283,064	204,006,285	64,914,800	-	64,914,800	31.82
Beijing LG Building Development	112,310	1	1	1	1	100.00
Overseas subsidiaries						
LG Electronics Overseas Trading FZE (Dubai)	46,893	1	1	-	1	100.00
LG Philips LCD America, Inc.	10,297	5,000,000	-	5,000,000	5,000,000	100.00
LG Philips LCD Japan Co., Ltd.	5,831	1,900	-	1,900	1,900	100.00
LG Philips LCD Germany GmbH	6,645	960,000	-	960,000	960,000	100.00
LG Philips LCD Taiwan Co., Ltd.	15,628	11,550,000	-	11,549,994	11,549,994	100.00
LG Philips LCD Nanjing Co., Ltd.	237,881	1	-	1	1	100.00
LG Philips LCD Hong Kong Co., Ltd.	7,564	115,000	-	115,000	115,000	100.00
LG Philips LCD Shanghai Co., Ltd.	3,007	1	-	1	1	100.00
LG Philips LCD Poland Sp. z o.o.	154,231	5,110,710	-	4,103,277	4,103,277	80.00
LG Philips LCD Guangzhou Co., Ltd.	62,224	1	1	-	1	100.00
LG Innotek Huizhou Co., Ltd.	28,750	1	1	1	1	100.00
LG Innotek Yantai Co., Ltd.	51,823	1	1	1	1	100.00
PT.LG Innotek Indonesia	6,977	5,000	-	5,000	5,000	100.00
LG Innotek USA Inc.	2,249	10,000	-	10,000	10,000	100.00
LG Innotek Poland, Ltd.	7,132	95,742	-	95,742	95,742	100.00
LG Micon(Fujian) Electronics Co., Ltd.	17,241	1	1	1	1	80.00
LG Philips LCD Shenzhen Co., Ltd.	1,481	1	1	1	1	100.00
Global Professional Sourcing Co., Ltd.	289	1,000,000	-	700,000	700,000	70.00
Overseas equity method investees						
Hitachi-LG Data Storage Inc. (HLDS)	55,343	30,000	14,700	-	14,700	49.00
LG Electronics Argentina S.A. (LGEAR)	11,114	36,925,000	1,846,250	35,078,750	36,925,000	100.00
LG Electronics Egypt Cairo S.A.E. (LGEEC)	2,882	13,510	13,510	-	13,510	100.00

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			LGE	Subsidiaries	Total	
LG Electronics Middle East Co., Ltd. (LGEME)	462	32,999	32,999	-	32,999	100.00
LG MITR Electronics Co., Ltd. (LGEMT)	5,774	5,076,000	5,076,000	-	5,076,000	100.00
LG Electronics Ukraine Co., Ltd. (LGEUR)	1,041	1	1	1	1	100.00
LG.Philips Displays Holding B.V.	(526,605)	68,182	-	34,090	34,090	50.00
Electromagnetica Goldstar S.R.L.	1,016	2,650	1,325	-	1,325	50.00
SLD TELECOM Pte. Ltd.	168,274	246,150,000	62,458,000	-	62,458,000	25.37
Triveni Digital Inc.	1,031	22,357,500	19,500,000	-	19,500,000	87.22
LG Electronics RUS-Marketing, LLC (LGERM)	204	1	1	1	1	100.00
Hi Logistics China Company Limited	5,390	1	1	1	1	100.00
Hi Logistics Europe B.V.	2,576	12,000	-	12,000	12,000	100.00
LG Pasig	2,567	100	-	38	38	51.00
LG Micron(Taiwan) Ltd.	27	1	1	1	1	100.00
LG SHAKER CO LTD (LGESR)	9,176	371,250	181,913	-	181,913	49.00
LG Electronics Africa Logistics FZE(LGEAF)	759	3	3	-	3	100.00
LG Electronics Antwerp Logistics N.V. (LGEAL)	1,275	10,000	-	10,000	10,000	100.00
LG Electronics Wales Ltd. (LGEWA)	836,880	2,042,203	-	2,042,203	2,042,203	100.00

¹ There are no issued and outstanding shares since these are not a corporation.

The consolidated subsidiaries and equity method investees are classified in accordance with the Enforcement Decree on External Audit for Corporations and SKFAS No. 25, *Consolidated Financial Statements*.

Newly consolidated subsidiaries as of December 31, 2007, are as follows:

Consolidated subsidiaries	Remarks
LG Electronics Austria GmbH (LGEAG)	Total assets increased to more than W7,000 million
LG Soft India PVT., Ltd. (LGELV)	Total assets increased to more than W7,000 million
LG Electronics Wrocław Sp. Z o.o. (LGEWR)	Total assets increased to more than W7,000 million
LG Electronics Mobile Research U.S.A., LLC (LGEMR)	Total assets increased to more than W7,000 million
Innovation Investment Fund (Formerly Blue Ocean Investment Association)	Total assets increased to more than W7,000 million
LG.Philips LCD Shenzhen Co., Ltd.	The subsidiary was newly established in 2007
Global Professional Sourcing Co., Ltd.	The subsidiary was newly established in 2007